

## Assembly Bill No. 137

### CHAPTER 188

An act to amend Sections 51243.5 and 56754 of, and to add Section 51243.6 to, the Government Code, relating to agricultural preserves.

[Approved by Governor July 15, 2002. Filed with  
Secretary of State July 15, 2002.]

#### LEGISLATIVE COUNSEL'S DIGEST

AB 137, Reyes. Agricultural preserves: annexations.

Under the Williamson Act, upon the annexation by a city of any land subject to a contract with a county that enforceably restricts the land to agricultural use within an agricultural preserve, the city succeeds to all rights, duties, and powers of the county under the contract unless the land being annexed was within one mile of the city boundary when the contract was executed, the contract was executed prior to January 1, 1991, and the city filed a protest of record that identifies the affected contract and the subject parcel. The act authorizes a local agency formation commission to request, and requires the Department of Conservation to provide, advice and assistance regarding the commission's obligation to determine whether an annexing city may exercise its option not to succeed to the rights, duties, and powers of the county under the contract.

This bill would require the Department of Conservation to advise the local agency formation commission of its concerns, whether or not it has been requested to do so, and would require the commission to address those concerns. The bill would require the commission to base its determination on substantial evidence in the record. The bill would prescribe criteria for the exercise by the city of its option not to succeed to a contract.

*The people of the State of California do enact as follows:*

SECTION 1. Section 51243.5 of the Government Code is amended to read:

51243.5. (a) This section shall apply only to land that was within one mile of a city boundary when a contract was executed pursuant to this article and for which the contract was executed prior to January 1, 1991.

(b) For any proposal that would result in the annexation to a city of any land that is subject to a contract under this chapter, the local agency



formation commission shall determine whether the city may exercise its option to not succeed to the rights, duties, and powers of the county under the contract.

(c) In making the determination required by subdivision (b), pursuant to Section 51206, the local agency formation commission may request, and the Department of Conservation shall provide, advice and assistance in interpreting the requirements of this section. If the department has concerns about an action proposed to be taken by a local agency formation commission pursuant to this section or Section 51243.6, the department shall advise the commission of its concerns, whether or not the commission has requested it to do so. The commission shall address the department's concerns in any hearing to consider the proposed annexation or a city's determination whether to exercise its option not to succeed to a contract, and shall specifically find that substantial evidence exists to show that the city has the present option under this section to decline to succeed to the contract.

(d) A city may exercise its option to not succeed to the rights, duties, and powers of the county under the contract if both of the following had occurred prior to December 8, 1971:

(1) The land being annexed was within one mile of the city's boundary when the contract was executed.

(2) The city had filed with the county board of supervisors a resolution protesting the execution of the contract.

(e) A city may exercise its option to not succeed to the rights, duties, and powers of the county under the contract if each of the following had occurred prior to January 1, 1991:

(1) The land being annexed was within one mile of the city's boundary when the contract was executed.

(2) The city had filed with the local agency formation commission a resolution protesting the execution of the contract.

(3) The local agency formation commission had held a hearing to consider the city's protest to the contract.

(4) The local agency formation commission had found that the contract would be inconsistent with the publicly desirable future use and control of the land.

(5) The local agency formation commission had approved the city's protest.

(f) It shall be conclusively presumed that no protest was filed by the city unless there is a record of the filing of the protest and the protest identifies the affected contract and the subject parcel. It shall be conclusively presumed that required notice was given before the execution of the contract.



(g) The option of a city to not succeed to a contract shall extend only to that part of the land that was within one mile of the city's boundary when the contract was executed.

(h) If the city exercises its option to not succeed to a contract, then the city shall record a certificate of contract termination with the county recorder at the same time as the executive officer of the local agency formation commission files the certificate of completion pursuant to Section 57203. The certificate of contract termination shall include a legal description of the land for which the city terminates the contract.

SEC. 2. Section 51243.6 is added to the Government Code, to read: 51243.6. The Legislature finds and declares the following:

(a) The enforceability of contracts entered into pursuant to this article is necessary to permit the preferential taxation provided to the owners of land under contract, pursuant to Section 8 of Article XIII of the California Constitution.

(b) The option granted to a city pursuant to Section 51243.5 to elect not to succeed to a contract may be held only by the city.

(c) No contracting landowner has a reasonable expectation that a contract can be terminated immediately pursuant to this article without penalty.

SEC. 3. Section 56754 of the Government Code is amended to read: 56754. If a change of organization or reorganization would result in

the annexation to a city of land that is subject to a contract executed pursuant to the Williamson Act (Chapter 7 (commencing with Section 51200) of Division 1), the commission, based on substantial evidence in the record, shall determine one of the following:

(a) That the city shall succeed to the rights, duties, and powers of the county pursuant to Section 51243, or

(b) That the city may exercise its option to not succeed to the rights, duties, and powers of the county pursuant to Section 51243.5.

SEC. 4. Notwithstanding subdivisions (d) and (e) of Section 51243.5 of the Government Code, a city may exercise its option not to succeed to the rights, duties, and powers of a county under a contract executed pursuant to the Williamson Act (Chapter 7 (commencing with Section 51200) of Division 1 of Title 5 of the Government Code), if the contract was entered into between January 1, 1968, and December 31, 1968, the land being annexed was within one mile of the city's boundary when the contract was executed, and the local agency formation commission made the determination pursuant to subdivision (b) of Section 56754 of the Government Code prior to January 1, 2002.

